

Amendments to House Bill No. 42
1st Reading Copy

Requested by Representative Galen Hollenbaugh

For the House Appropriations Committee

Prepared by Jaret Coles
January 19, 2011 (7:24am)

1. Title, page 1, line 6.

Following: "FUND;"

Insert: "EXTENDING THE ALLOCATION OF THE OIL AND NATURAL GAS PRODUCTION TAXES INTO THE COAL BED METHANE PROTECTION ACCOUNT; DELAYING THE ALLOCATION INCREASES TO THE NATURAL RESOURCES PROJECTS AND NATURAL RESOURCES OPERATIONS STATE SPECIAL REVENUE ACCOUNTS; EXTENDING THE TERMINATION DATE FOR CERTAIN DEPOSITS INTO THE COAL BED METHANE PROTECTION ACCOUNT;"

2. Title, page 1, line 6.

Following: "AMENDING" on line 6

Strike: "SECTION"

Insert: "SECTIONS 15-36-331 AND"

3. Title, page 1, line 7.

Following: "MCA;"

Insert: "AMENDING SECTION 10, CHAPTER 531, LAWS OF 2001;"

4. Page 1, line 10.

Insert: "Section 1. Section 15-36-331, MCA, is amended to read:

"15-36-331. **Distribution of taxes.** (1) (a) For each calendar quarter, the department shall determine the amount of tax, late payment interest, and penalties collected under this part.

(b) For the purposes of distribution of oil and natural gas production taxes to county and school district taxing units under 15-36-332 and to the state, the department shall determine the amount of oil and natural gas production taxes paid on production in the taxing unit.

(2) (a) The amount of oil and natural gas production taxes collected for the privilege and license tax pursuant to 82-11-131 must be deposited, in accordance with the provisions of 17-2-124, in the state special revenue fund for the purpose of paying expenses of the board, as provided in 82-11-135.

(b) The amount of the tax allocated in 15-36-304(7)(b) for the oil and gas natural resource distribution account established in 90-6-1001(1) must be deposited in the account.

(3) (a) For each tax year, the amount of oil and natural gas production taxes determined under subsection (1)(b) is allocated to each county according to the following schedule:
Big Horn 45.05%

Blaine	58.39%
Carbon	48.27%
Chouteau	58.14%
Custer	69.53%
Daniels	50.81%
Dawson	47.79%
Fallon	41.78%
Fergus	69.18%
Garfield	45.96%
Glacier	58.83%
Golden Valley	58.37%
Hill	64.51%
Liberty	57.94%
McCone	49.92%
Musselshell	48.64%
Petroleum	48.04%
Phillips	54.02%
Pondera	54.26%
Powder River	60.9%
Prairie	40.38%
Richland	47.47%
Roosevelt	45.71%
Rosebud	39.33%
Sheridan	47.99%
Stillwater	53.51%
Sweet Grass	61.24%
Teton	46.1%
Toole	57.61%
Valley	51.43%
Wibaux	49.16%
Yellowstone	46.74%
All other counties	50.15%

(b) The oil and natural gas production taxes allocated to each county must be deposited in the state special revenue fund and transferred to each county for distribution, as provided in 15-36-332.

(4) The department shall, in accordance with the provisions of 17-2-124, distribute the state portion of oil and natural gas production taxes remaining after the distributions pursuant to subsections (2) and (3) as follows:

(a) for each fiscal year through the fiscal year ending June 30, 2011, to be distributed as follows:

(i) 1.23% to the coal bed methane protection account established in 76-15-904;

(ii) 1.45% to the natural resources projects state special revenue account established in 15-38-302;

(iii) 1.45% to the natural resources operations state special revenue account established in 15-38-301;

(iv) 2.99% to the orphan share account established in 75-10-743;

(v) 2.65% to the state special revenue fund to be appropriated to the Montana university system for the purposes of the state tax levy as provided in 15-10-108; and

(vi) all remaining proceeds to the state general fund;

(b) for fiscal years beginning after June 30, 2011, and ending June 30, 2015, to be distributed as follows:

(i) 1.23% to the coal bed methane protection account established in 76-15-904;

~~(i)~~(ii) 2.16% 1.45% to the natural resources projects state special revenue account established in 15-38-302;

~~(ii)~~(iii) 2.02% 1.45% to the natural resources operations state special revenue account established in 15-38-301;

~~(iii)~~(iv) 2.95% to the orphan share account established in 75-10-743;

~~(iv)~~(v) 2.65% to the state special revenue fund to be appropriated to the Montana university system for the purposes of the state tax levy as provided in 15-10-108; and

~~(v)~~(vi) all remaining proceeds to the state general fund;

(c) for fiscal years beginning after June 30, 2015, to be distributed as follows:

(i) 2.16% to the natural resources projects state special revenue account established in 15-38-302;

(ii) 2.02% to the natural resources operations state special revenue account established in 15-38-301;

(iii) 2.95% to the orphan share account established in 75-10-743;

(iv) 2.65% to the state special revenue fund to be appropriated to the Montana university system for the purposes of the state tax levy as provided in 15-10-108; and

(v) all remaining proceeds to the state general fund."

{Internal References to 15-36-331:

15-36-304X 15-36-332X 15-36-332X 15-36-332X

15-38-301X 15-38-302X 75-10-743X 76-15-904X

82-11-135X }"

Renumber: subsequent sections

5. Page 1, line 27.

Strike: "2011" through "2001"

Insert: "2015"

6. Page 1, line 28.

Insert: "Section 3. Section 10, Chapter 531, Laws of 2001, is amended to read:

"Section 10. Termination. [Sections 4(2) and 6] terminate June 30, 2011 2015.""

Renumber: subsequent sections

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